



Department of Justice

FOR IMMEDIATE RELEASE
MONDAY, SEPTEMBER 26, 1994

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**JUSTICE WILL NOT CHALLENGE TAX SOFTWARE COMPANY ACQUISITION
AFTER LEADING COMPANY AGREES TO LICENSE CERTAIN TECHNOLOGY**

WASHINGTON, D.C. -- The Department of Justice's Antitrust Division said today it will not challenge the acquisition of a tax preparation software company by Intuit Inc. after Intuit agreed to license technology allowing a new competitor to enter the market.

Intuit Inc. agreed to license the source code for Parsons Technology Corporation's Personal Tax Edge software and related assets to Novell Corporation's WordPerfect division. In light of this licensing agreement, the Department will not challenge the proposed acquisition of Parsons by Intuit.

"Without this agreement permitting a capable new company to enter the market, Intuit's acquisition of Parsons would have substantially reduced competition in consumer tax preparation software, and likely would have caused consumers to pay higher prices," said Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division.

Intuit Inc. of Menlo Park, California, owns ChipSoft Inc. which makes TurboTax, the leading brand of consumer tax

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preparation software. Parsons, of Hiawatha, Iowa, sells Personal Tax Edge, the third best-selling brand of consumer tax preparation software. Novell of Provo, Utah, intends to introduce a new consumer tax preparation software product initially based on the Parsons product under the name "Tax Saver."

"In this case, the parties to the proposed transaction recognized the need to develop a solution that preserves competition, and entered into early negotiations with the Department that ultimately led to a licensing agreement that protects consumers," Bingaman added.

In June 1993, ChipSoft dropped its plans to buy another maker of consumer tax preparation software after the Department announced its intent to challenge the acquisition. In November 1993, Intuit restructured its acquisition of ChipSoft after being warned that the Department was considering a challenge of the proposed acquisition.

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